



EXHIBIT #3
DATE 2-03-09
HB 2

6901 Dept Of Public Health & Human Services
Revised Executive Budget Comparison Table

690103 Child & Family Services

R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	16,418,985	17,724,120	18,892,669	19,175,468	34,143,105	38,068,137	3,925,032	11.5%
Operating Expenses	4,929,805	4,746,162	5,877,158	5,699,224	9,675,967	11,576,382	1,900,415	19.6%
Equipment & Intangible Assets	20,790	25,000	70,790	20,790	45,790	91,580	45,790	100.0%
Grants	5,090,365	6,630,882	6,357,506	6,355,806	11,721,247	12,713,312	992,065	8.5%
Benefits & Claims	29,420,205	36,261,829	33,402,757	35,267,701	65,682,034	68,670,458	2,988,424	4.6%
Transfers	-	-	-	-	-	-	-	0.0%
Debt Service	118,349	146,955	118,349	118,349	265,304	236,698	(28,606)	-10.8%
Total Costs	55,998,499	65,534,948	64,719,229	66,637,338	121,533,447	131,356,567	9,823,120	8.1%
General Fund	28,708,419	31,658,802	34,413,268	35,443,763	60,367,221	69,857,031	9,489,810	15.7%
State/other Special Rev. Funds	2,464,613	2,421,269	2,507,540	2,507,539	4,885,882	5,015,079	129,197	2.6%
Federal Spec. Rev. Funds	24,825,467	31,454,877	27,798,421	28,686,036	56,280,344	56,484,457	204,113	0.4%
Total Funds	55,998,499	65,534,948	64,719,229	66,637,338	121,533,447	131,356,567	9,823,120	8.1%

The Child and Family Services Division Presented in the Governor's Budget on December 15, 2008

This addendum reflects the changes made to the budget for the Child and Family Services Division as analyzed in the January 2009 Legislative Budget Analysis, Volume 4, which was based upon the November 15, 2008 executive budget submission.

The total funding for the division increases 8.1 percent when the 2009 and 2011 biennia are compared. The November 15, 2008 budget included a 9.54 percent increase when the 2009 and 2011 biennia are compared. The 1.44 percent reduction between the two executive budgets is due to changes to new proposals that were in the Governor's November 15, 2008 budget and the addition of a new proposal to increase vacancy savings from 4 percent to 7 percent.

Changes or Additions

The following tables and narrative discuss the differences between the November 15, 2008 and the December 15, 2008 budgets.

The Executive Budget Reconciliation table on the following page shows the November 15th budget submission and the executive budget revisions. The top section of the table shows the November 15, 2008 executive submission and the total revised amounts from the December 15th budget. The middle and bottom sections of the table list the specific revisions by present law and then new proposals. LFD staff discussion follows this table.

The final table is the entire list of present law and new proposal requests included in the Governor's December, 15, 2008 budget.

6901 Dept Of Public Health & Human Services Executive Budget Reconciliation				690103 Child & Family Services		
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
<i>Calculation of Executive Budget (Nov. 15, 2008)</i>						
FY 2008 Base	28,708,419	28,708,419	57,416,838	55,998,499	55,998,499	111,996,998
Statewide Present Law Adjustments	2,582,709	2,628,520	5,211,229	2,874,346	2,947,100	5,821,446
Other Present Law Adjustments	2,872,725	3,697,140	6,569,865	5,897,003	7,500,028	13,397,031
New Proposals	893,276	924,669	1,817,945	933,760	977,158	1,910,918
Original Executive Budget	35,057,129	35,958,748	71,015,877	65,703,608	67,422,785	133,126,393
Revised Executive Budget	34,413,268	35,443,763	69,857,031	64,719,229	66,637,338	131,356,567
<i>Executive Budget Revisions (Dec. 15, 2008)</i>						
PL07101 Fuel Inflation Reduction	(1,305)	(1,498)	(2,803)	(2,173)	(2,495)	(4,668)
Present Law Total	(1,305)	(1,498)	(2,803)	(2,173)	(2,495)	(4,668)
NP030015 New FTE Package	(152,224)	15,000	(137,224)	(237,851)	15,150	(222,701)
NP030016 Provider Rate Increase - CFSD	(101,791)	(138,776)	(240,567)	(142,768)	(194,641)	(337,409)
NP08101 Increasing 4% Vacancy Savings to 7%	(388,541)	(389,711)	(778,252)	(601,587)	(603,461)	(1,205,048)
New Proposal Total	(642,556)	(513,487)	(1,156,043)	(982,206)	(782,952)	(1,765,158)
Total All Decision Packages	(643,861)	(514,985)	(1,158,846)	(984,379)	(785,447)	(1,769,826)

Present Law Adjustments

New to the November 15, 2008 Budget

PL 7101 – Fuel Inflation Reduction – This request would reduce funding for gasoline and diesel by the amount that these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories. The total reduction for the biennium for the Child and Family Services Division is \$2,803 general fund, \$924 state special revenue, and \$1,865 federal revenue.

New Proposals

Reduction from to the November 15, 2008 Budget

Page B- 74 of the January 2009 Legislative Budget Analysis, Volume 4

NP 30015 – New FTE Package – This request reduces DP 30015, which requested 5.00 new FTE for Child Protective Services (CPS), Permanency Planning Specialists, Centralized Intake (CI), and Administrative Support. The request now delays hiring the FTE until FY 2011 and reduces the general fund by \$137,224. The total request is now \$246,226 comprising \$162,888 general fund and \$83,338 federal funds.

As noted in the LFD Issue box on page B-74, at the time of budget submission the division did not know where the positions would be located or their specific duties.

Eliminated from to the November 15, 2008 Budget

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NP 20016 – Provider Rate Increases - \$240,567 reduction to the general fund



New to the November 15, 2008 Budget

NP 8101 – Increasing 4% Vacancy Savings To 7% - This request would add an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment. The proposal decreases the general fund by \$778,252 over the biennium and federal revenue by \$426,796. Vacancy savings are discussed on page B-70 and B-71 of the January 2009 Legislative Budget Analysis, Volume 4

List of Decision Packages

This table is the entire list of present law and new proposal requests included in the Governor's December, 15, 2008 budget.

6901 Dept Of Public Health & Human Services				690103 Child & Family Services		
Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
PL030002 FMAP Rate Decrease - Subsidized Adoption	110,368	176,887	287,255	-	-	-
PL030003 FMAP Rate Decrease - Foster Care	49,013	71,595	120,608	-	-	-
PL030006 Foster Care Caseload Increase	582,082	886,285	1,468,367	1,077,930	1,641,268	2,719,198
PL030007 Subsidized Adoption Caseload Increase	1,106,126	1,704,865	2,810,991	2,404,622	3,706,228	6,110,850
PL030008 Rent Increases/New Office Moves/Move Costs	571,156	403,528	974,684	892,431	630,512	1,522,943
PL030019 Restore Overtime/Holidays Worked	162,322	162,322	324,644	243,362	243,362	486,724
PL030020 Annualization of Tribal General Fund	227,000	227,000	454,000	1,214,000	1,214,000	2,428,000
PL030025 Liability Insurance	64,658	64,658	129,316	64,658	64,658	129,316
PL07101 Fuel Inflation Reduction	(1,305)	(1,498)	(2,803)	(2,173)	(2,495)	(4,668)
Present Law Total	2,871,420	3,695,642	6,567,062	5,894,830	7,497,533	13,392,363
NP030005 Therapeutic Group Home Fund Switch	500,000	500,000	1,000,000	500,000	500,000	1,000,000
NP030009 Guardianship - Loss of Federal Funds	200,000	200,000	400,000	-	-	-
NP030015 New FTE Package	-	162,888	162,888	-	246,226	246,226
NP030024 SSI Contracted Services for Transitional Kids	(60,739)	(61,995)	(122,734)	53,141	51,441	104,582
NP08101 Increasing 4% Vacancy Savings to 7%	(388,541)	(389,711)	(778,252)	(601,587)	(603,461)	(1,205,048)
New Proposal Total	250,720	411,182	661,902	(48,446)	194,206	145,760
Total All Decision Packages	3,122,140	4,106,824	7,228,964	5,846,384	7,691,739	13,538,123

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Total All Decision Packages	3,122,140	4,106,824	7,228,964	5,846,384	7,691,739	13,538,123

Draft Estimate of Minimum General Fund Reduction, ... to Stimulus Package Passed out of House of Representatives*

February 1, 2009 Component of Executive Request FY 2008 Base Budget	<-----FY 2010----->			<-----FY 2011----->			Percent of Total
	General Fund	State Special	Federal	General Fund	State Special	Federal	
Health Resources	\$88,583,945	\$12,838,654	\$227,836,381	\$329,258,980	\$12,838,654	\$227,884,208	\$329,333,057
Senior and Long Term Care	43,182,630	20,532,872	139,269,720	202,985,222	20,532,872	139,269,720	202,985,222
Disability Services Division	21,274,118	2,667,826	52,365,610	76,307,554	2,667,826	52,365,610	76,307,554
Addictive and Mental Disorders	7,536,895	1,956,888	22,576,239	32,070,022	1,956,888	22,576,239	32,070,022
Foster Care/Sub Adopt	4,744,446	0	10,053,771	14,798,217	0	10,053,771	14,798,217
Subtotal Base	165,322,034	37,996,240	452,101,721	655,419,995	37,996,240	452,149,548	655,494,072
FMAP 68.53 + 4.90 = 73.43	136,148,853	37,996,240	481,274,902	655,419,995	37,996,240	481,329,297	655,494,072
General Fund Savings Base Budget	(29,173,181)	0	29,173,181	0	0	29,179,749	0
78.83%							
Present Law							
Caseload and Annualization							
Health Resources	14,733,534	1,602,148	36,329,783	52,665,465	3,233,090	54,130,192	79,121,529
Senior and Long Term Care	5,597,449	1,183,411	12,491,414	19,272,274	2,124,772	13,172,497	20,392,953
Disability Services Division	723,244	467,761	1,439,346	2,630,351	467,761	1,396,429	2,630,351
Addictive and Mental Disorders	1,129,701	0	2,345,232	3,474,933	0	3,829,433	5,713,013
Foster Care/Sub Adopt	863,156	0	1,794,344	2,657,500	0	2,756,346	4,112,050
Subtotal Present Law Executive Budget	23,047,084	3,253,320	54,400,119	80,700,523	5,825,623	75,284,897	111,969,896
FMAP 68.53 + 4.90 = 73.43	18,188,809	3,253,320	59,258,394	80,700,523	5,825,623	82,219,494	111,969,896
General Fund Savings Present Law	(4,858,275)	0	4,858,275	0	0	6,934,597	0
18.73%							
New Proposals							
Health Resources	35,087	0	72,574	107,661	0	166,224	247,984
Senior and Long Term Care	2,000,000	0	3,529,160	5,529,160	0	3,456,203	5,456,203
Disability Services Division	549,999	0	727,252	1,277,251	0	1,532,611	2,542,623
Addictive and Mental Disorders	0	0	0	0	0	0	0
Foster Care/Sub Adopt	0	0	0	0	0	0	0
Subtotal New Proposals Executive Budget	2,585,086	0	4,328,986	6,914,072	0	5,155,038	8,246,810
FMAP 68.53 + 4.90 = 73.43	1,837,069	0	5,077,003	6,914,072	0	6,055,633	8,246,810
General Fund Savings New Proposals	(\$748,017)	\$0	\$748,017	\$0	\$0	\$900,595	\$0
2.43%							
Total - Least Change (4.9%)	(\$34,779,473)	\$0	\$34,779,473	\$0	(\$37,014,941)	\$0	\$0
Adjusted for 1/2 FY 2011	0	0	0	0	18,507,471	0	0
Grand Total Lowest FMAP Change	(\$34,779,473)	\$0	\$34,779,473	\$0	(\$18,507,471)	\$0	\$0
Biennial Total**					(\$53,286,944)	\$0	\$0
1% Change in FMAP =					(\$3,777,035)		
1% Biennial Change in FMAP =					(\$10,874,886)		
1% Change - Unemployment Adjustment	(\$5,953,443)						
*House stimulus bill contains a 4.9% increase in FMAP and the Senate stimulus bill includes a 7.5% increase in FMAP applicable to Medicaid, Foster Care and Subsidized Adoption services.							
*Both House and Senate bills include additional adjustments to the FMAP for high unemployment states. However, the unemployment bonus is applicable to Medicaid services only. At this time, it appears that Montana would qualify for the first tier high unemployment adjustment due to a change in unemployment greater than 1.5%. The Senate bill would add 2.95% to the FMAP. The House bill would add 1.59%.							
*If a state qualifies for the high unemployment adjustment for a calendar quarter, it shall be deemed to have qualified for such relief for each subsequent calendar quarter ending before July 1, 2010.							
**This spreadsheet does not include general fund savings due to the stimulus FMAP change for the period October 1, 2008 through June 30, 2009. That amount is probably between \$22.0 to \$25.0 million.							

EXHIBIT

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DATE 2-03-09

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